DEPARTMENT OF STATE

Memorandum of Conversation

DATE: Oct. 4, 1974

SUBJECT:

World Food Conference

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Kissinger:

I have the speech text and I've made marginal comments. See if you can get these comments out to those who need them in something less than 10,000 copies circulated all over town. The speech is not going to do the job. We should indicate what we are going to do, and then see what can be done internationally. If something is worth doing, we should do it well. If I give this speech, people's reaction will be almost inaudible.

We should set forth a philosophy, try to convince people, not give an old-maidish lecture to others about what they should do. We should set forth what we intend to do and why we ought to do it. My experience is that something which looks bold today becomes generally accepted within one year and is old-fashioned the year after. So if you start with something mediocre, you are irrelevant within three months.

Don't worry about trying to sell it within the Government. It's no more difficult to try to sell something The same people will oppose it with the same arguments. I'm willing to go after the backing within Government once we know what we need. I'm not an expert on agriculture, but that allows me to tell the experts when they object that I'm ignorant on their technical details.

Campbell:

The last few months shows that USDA doesn't know much either. And the weather hasn't helped.

(Drafting Office and Officer)

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Kissinger:

I can provide political orientation and the standards and the rest will follow. I have no real problem with the text as such, but can we really say that "all countries have responsibilities", when we know that Bangladesh and the Sahel can't do anything, and that some others can do greater and still others lesser?

Morris:

But these other countries have responsibilities to fulfill as well.

Kissinger:

But is it necessary to lecture on the subject? We don't have to talk about responsibilities. We can say what the problem is and what is needed to meet it. We should be less schoolmasterish. The speech doesn't have any philosophical position behind it. It puts forth eight propositions—and no policies. We should discuss things like Bangladesh and the Sahel drought in relation to other food problems.

What other ideas are around and not in the speech? I personally believe that in five years the food exporting countries will be working together. Even though I know we have a philosophy against commodity agreements.

Enders:

I'm not sure that your speech should provide the vehicle for making this case. A public presentation will draw fire.

Kissinger:

Whose fire?

Enders:

From the LDCs who will think that we are attempting to promote an OPEC for food.

Kissinger:

What we would be saying is that if you cooperate, we won't have to talk about food. We should say that what is needed is better food production, more rational food distribution, a common approach to these. The philosophy is to get things established first. The newspapers keep saying that the oil policy has backfired. Well, they are wrong. The Arabs are scared, and regardless of what they say in public they are very conciliatory to me in meetings. I haven't asked them to lower prices. But they know that as structures take form, they have got to watch us. We should push for increasing food production and rationalizing the approach of the food surplus countries.

Enders:

How about the other non-exporters? One large problem is the USSR and another the PRC. And India is still another. These cause the most fluctuations.

Kissinger:

How much food does India export?

Enders:

India's fluctuations in production are a major part of the problem. The Soviet Union is the other part. We might just want them.

Kissinger:

What I would like is a clearer, more thoughtful and humanitarian explanation of the problem. Break the solution down into categories--production, distribution, etc., then production down into exporters' production, importers' production, and then indicate the degree of global response. From this the philosophy emerges, so I can say that if you don't like our recommendations at least you agree with our analysis of the problem. Can we then add an operational structure? I assume that Butz won't shoot me down on this.

Campbell:

No, I'm sure he'll work with you.

Kissinger:

He and I work very well together. The only problems that arise are due to my ignorance. I don't want to blunder in techical areas. So you should get together another draft. I don't like the eight-point problem approach. The President's speech and mine at the U.N. General Assembly complemented each other very well. We stated a philosophy there and we can state it again in greater detail in Rome.

On food aid, we have to work with Butz. The President is prepared to go for the high option.

Enders:

Should we announce a large program at the Conference? And what figures do we use? For one year? If we take account of the production of the Soviets and India all the variables are removed. So we can make a decision, but we'll have to bear in mind the costs, chiefly what the market impact will be.

Campbell:

Yes, it will certainly mean upward pressure on the market. The October crop report about to come out won't show much change over September, but it doesn't take into account the latest hard frosts, and the November one will show a bigger drop.

Kissinger:

And the Conference begins on what date?

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Enders:

The fifth of November.

Campbell:

The November report won't come out until afterwards, and we can't make it earlier because there are very tight security arrangements for producing it.

Kissinger:

If we can't make an announcement at the Conference it isn't that important. I'm not so concerned about getting a one-day headline from an announcement as long as we operate at a high level. I don't think we should give the volume figure anyway, because they'll just compare that with 1973. What we should do in the speech is to show that we are looking at food policy in a global perspective rather than a local perspective. It should state our philosophy. Can we increase scientific research?

Birnbaum:

We've been doing a lot. We expect we can get a 100 per cent increase in financing.

Kissingar:

The question is can we increase it. Say what we can do and then call on others to, do something. Is there some international research effort?

Birnbaum:

There are eight established centers throughout the world. We are doubling funding for international actions.

Campbell:

We have a lot of knowledge around right now which others already are not utilizing. Things like inputs in fertilizers and fuel. We should start on this first.

Kissinger:

So we could get a double effect. First from new research. Second, from increasing application of esisting research, of making available what we already know. The idea that the Saudis can do to fertilizer what they've done to oil and get into a monopoly position doesn't fill me with enthusiasm. This could cause great problems further down the line, just like what we did with the EC. I think our country has an amazing ability to encourage developments that can later bring about its own undoing. This is the first time a major power has created a major competitor with such enthusiasm.

Enders:

Europe didn't believe us when we said it.

Kissinger:

I'm all for the fertilizer thing, but let's not push it in such a way that OPEC can dominate it.

Enders:

Furthermore, nobody really knows whether we might have over-investment now which can lead to over-production later.

Kissinger:

Tell me about the World Food Authority. Why should we oppose it?

Morris:

It is too unwieldy an organization. It is an unnecessary cover organization for efforts, covered by other arrangements, and could become an umbrella for other unwanted projects. It would be impossible to use it effectively. Our proposal for a Consultative Group on aid to food production under the IBRD is not the sort of concept that is likely to send me to the barricades.

Enders:

Kissinger:

Essentially there are three proposals under the World Food Authority idea. The reserves negotiations, the food aid group, and an aid fund. On the fund, we should say we have no objection to other people starting one. The question is whether the three should be made into a package of one. It's a fielder's choice, whether you need a covering organization or not.

Kissinger:

First let's see what has to be done. If this requires three organizations, and someone wants to bring them together, then we should look at it. I'm indifferent as to the outcome. But if I come up and announce a consultative group—then everyone will know that nothing will happen.

I see two problems. What do we really believe? My speech can help set U.S. government policy, and then others around town outside this building will have to do something. The second thing is to create the framework for the rest of the world. If we waffle on this, everyone else will waffle. This means we emphasize research, distribution of technology and distribution of food. I don't know the answers and I don't even know some of the questions. But I know Butz will cooperate on filling these in.

So give me a new draft on Monday evening, so I'll have a chance to read it, and we'll meet Tuesday morning. The draft doesn't have to be polished. Then when I'm away you can work on another more thoughtful version. I want you to push in the direction of explicitness and philosophy. I don't want a statement of consensus.

I want to hear what's right, not what can be sold.

Can my speech be moved to the morning of the 6th? I know I'm now scheduled on the 5th, after the opening ceremonies.

Enders:

You're number one on the list of speakers which is already set. There is some advantage to being first and setting the tone for the meeting.

Kissinger:

I might be able to get there by noon. On the speech, we don't have to announce all our eventual goals. Let's not get into the business of putting pressure on others. If you have the organization first, then that itself creates the pressures on others.

Enders:

What do you think about the rest of the paper? The issue is whether we should seek agreement of others in advance of the Conference.

Kissinger:

Let's not drag the others into it. We should announce what we intend to do and then approach the othersafter the Conference. Are you talking just about major exporters?

Enders:

No. The importers, too.

Kissinger:

I see two phases here. First the major exporters rationalize their own policy, then the exporters work something out with the importers. Otherwise you get an exporter-consumer confrontation right at the beginning.

Enders:

No, I think for example that the U.S. and Japan can work out a joint rationale. We need reliable customers and they need a reliable source of supply. Reserves are a joint way of approaching this.

Kissinger:

I think we can do that after the Conference.

Enders:

It depends upon the timetable.

Kissinger:

If I authorize a major approach before the Conference, I might just as well insert it in the <u>New York Times</u> a couple of days later. 'After all, we're talking about twenty countries and the possibility of leaks is enormous.

Enders:

No, we're talking about a much smaller number. And we don't have to do it right away, but just in the course of this month.

Kissinger:

Just a few days in advance of the Conference? We don't have to decide now. Let's wait until our meeting next Tuesday. When we get closer to the Conference, I'll work on it. In the meantime, work on the speech. There's no danger that I will give a speech that has gone through less than 11 drafts.

Palmer:

No, sir. We once had one that took only ten.